representative. But for this particular year there was election to the Governing Body of the ILO for which only two organisations were eligible. No. 1 INTUC and other organisation was HMS. Among these two, INTUC has the largest membership and that is why to the advantage of the country, without any bad intention, I have also made it very clear, Sir, that in the month of October in Korea there is going to be a Regional Labour Conference for which I have already nominated BMS. We have no other intentions. It is only in the interest of the country...

श्री रूद्रनारायण पाणि : महोदय, इसमें सब्स्टीट्यूट देने की व्यवस्था है।

*164.[The questioner (Dr. M.A.M. Ramaswamy) was absent. For answer *vide* page 39]

Safeguarding interests of Indian IT companies

*165. SHRI VIJAY J. DARDA: Will the Minister of COMMUNICATIONS AND INFORMATION TECHNOLOGY be pleased to state:

(a) whether Government are aware that unscrupulous operators are perpetrating frauds and duping unsuspecting Indian companies by giving BPO (Branching Process Operations) work from Indian or overseas clients;

(b) if so, whether our existing laws are adequate to deal with such a situation with a view to safeguarding interests of Indian IT companies;

(c) how many such cases were brought to the notice of Government during 2004 and first six months of 2005;

(d) whether any guidelines have been issued for the protection of interests of Indian companies; and

(e) if so, the details thereof?

THE MINISTER OF COMMUNICATIONS AND INFORMATION TECHNOLOGY (SHRI DAYANIDHI MARAN) : (a) to (e) A Statement is laid on the Table of the House.

Statement

(a) to (c) IT Enabled Services (ITES) or Business Process Outsourcing (BPO) in IT sector is a de-licensed activity. Such operations are governed by a contract between the parties. Government does not directly regulate such activities. However, as per information from NASSCOM, no such cases have been reported from their member companies.

The Information Technology Act 2000 provides for penalties for infringement of such incidents including frauds, breaching of confidentiality, privacy and hacking of a computer system.

(d) and (e) The following steps are being taken by the Department of Information Technology and NASSCOM in consultation with all stake holders to strengthen/safeguard Indian IT companies:

— Revisiting the IT Act 2000 and Introduction of amendments, if any, that will provide stringent measures against the Criminals. An Expert Committee has been set up for this purpose.

— Training and supporting Indian Law enforcement agencies to ensure that they are well equipped to tackle cyber crimes.

— Establishment of a register of IT professionals by NASSCOM to ensure that only suitable staff is employed in the Industry.

SHRI VIJAY J. DARDA: Sir, I would like to ask the the hon. Minister are: IT companies, engaged in fulfilling outsourcing assignments of foreign based companies, adequately protected so far as the receipt of payment of work done is concerned? Security of personnel employed on allegedly flimsy leakage of confidential information charges, etc., has not been paid to those people.

SHRI DAYANIDHI MARAN: Sir, as I have mentioned in my statement, the outsourcing companies are totally delicensed by the Government of India. They work with agreements with the foreign counterparts and basically they are governed by their agreements which they are entered into. If there is any breach of contract they can always go to the court. As far as the second part of the question is concerned, the Member asked about the protection of the employees. Sir, there are some cases which are reported in the paper but, Sir, no complaint has been received whether inside the country for such theft or similarly there was no complaint from the other sources like the countries which claim that their data were sold. No complaints were received officially.

SHRI VIJAY J. DARDA: What incentives is the Government giving to the existing or new IT companies to equip themselves better to face the challenges of outsourcing arrangements given by foreign clients to countries like China, Malaysia, like training inputs and financial support? The rate for Mbps and lease circuit is very costly to compete with other nations where the rate is competitively very low. If you want to compete with these people, you have to be competitive. If we don't do anything, we may lose our supremacy or leadership in this field.

SHRI DAYANIDHI MARAN: Sir,I agree with the concerns of the hon. Member. I would like to tell the hon. Member, through you, that we have the Software Technology Parks of India which the Government of India supports through the Department of Information Technology where we have incubation centres for new entrepreneurs who can come and ask for facilities. There are full-fledged facilities. You have lease-line facilities. You have desktops and there is a complete set up. They come there without much investment, plug into the system, do their business and get trained. The moment they expand their business, they can open and go to their own centres. So, we will be doing very well. This is the basic infra-structure set up which we offer to the IT companies. These have been welcomed and they are present in all the major cities in the country.

As far as the cost of bandwidth is concerned, I would say that we are also very concerned about it. In fact, the Government is not in a position to do much since all the external fibres, which go outside the country, are controlled by private sector people like, VSNL of TATAs, Reliance Infocom and Bharti. So, the Government of India cannot do anything. We only source our external bandwidth to them and the gatekeepers are charging quite a high amount. Recently, I also requested the TATAs to reduce their international bandwidth. To counter this, the BSNL, the State-owned telecom network, is planning to put up a fibre connecting to Colombo so that we can connect CME West and CME East cables. We also have proposals to connect Andaman and from Andaman, to go to Singapore. There are proposals which are still under consideration.

SHRI VIJAY J. DARDA: Sir, I have to seek a clarification on this issue. You have said that it is not being controlled by the Government and it has been given to VSNL and all that. I agree with that because under privatisation it has to be done. If we lose our control, we will be losing our ground. You look at how other countries such as Taiwan, Malaysia and China are doing.

SHRI DAYANIDHI MARAN: The present Government has not taken these decisions. Privatisation was done by the previous Government. Even then, when it comes to pricing of bandwidth, it is under total control of TRAI. Sir, TRAI is the one which controls the price of bandwidth. And, recently, TRAI has made some recommendations.

SHRI VIJAY J. DARDA: We are set up TRAI.

SHRI DAYANIDHI MARAN: Sir, TRAI did something. But, they had gone to court. The court knocked down the recommendations of reducing

the international bandwidth. This is the concern which the country is also facing. International bandwidth prices are coming down. But, in India, international bandwidth prices are not coming down because of private players.

SHRI C. RAMACHANDRAIAH: Sir, the hon. Minister has said in his reply that IT Enabled Services or Busines Process Outsourcing in IT sector is a de-licensed activity and cannot be governed by a contract because it is a mutual agreement between the parties. I wish to draw the attention of the hon. Minister to an incident which he should have been aware of. In a recent incident an employee of a BPO company, in Delhi, reportedly sold confidential information of the British Bank account-holders to an undercover reporter of a British magazine. This raises a serious concern. The Government may not be in a position to legally control it and it cannot interfere freely as per the reply given by the hon. Minister. However, in serious offences of this nature, the Government should have some guidelines because the prestige and reputation of the nation is involved. Sir, IT is a very fast expanding sector where the image of the country has to be protected and maintained. So, I would like to know whether the hon. Minister is planning to plug this type of anomalies.

SHRI DAYANIDHI MARAN: Sir, the hon. Member is right that there was an article in a newspaper saying that a sting operation was conducted by a UK magazine. The whole operation was done by a newspaper magazine from UK, ***The Sun.*** But there is no complaint from the client from UK. It was a sting operation where an employee was given money. They recorded it on camera and published it. There is no official compliant saying that such a thing took place. We all feel that it was purposefully done to defame our IT industry. Let me tell to the hon. Member that I have a paper of a famous US economist which I would like to mention. It says that annually credit card companies are incurring loss to the tune of US $ 50 billion on data theft. So, this is a big recorded theft. What the Member has mentioned is a theft which has not been recorded. Even the company which the hon. Member has mentioned is in Noida and has not given any official complaint.

Of course, the Government is very much concerned about such activities and will take all steps to protect such data interests of any company in order to ensure that the IT companies do not suffer. But this has to be reported. We can taken action on reported complaints. When people just want to conduct sting operation and try to defame, we can't do anything on that. (*Interruptions*) No no. Sir, the IT Act is already there. We are

also relooking at the IT Act in order to ensure that such data thefts are prevented. But what I am saying is that this was a sting operation. This was done in a specific case to defame us. There is not a single complaint. And, when there is no complaint, how do you expect us to react. This is done just to defame us.

SHRI JAIRAM RAMESH: Sir, I share the Minister's concern that sting operation was, with a view, to defame us. But I don't think that this argument can hold water. There are very serious concerns in the IT industry world on the tightness of our laws and the laxity in the implementation of these laws. So, I would like to put a very specific question. The hon. Minister has repeatedly said that the IT Act, 2000 will be strengthened, if need be, to control cyber crimes. It is very much in the written answer, as well. I would like to ask him what exactly are the amendments that he is proposing, and in what timeframe are these amendments going to be brought forward to Parliament for approval?

Secondly, Sir, even more important question is that of enforcement. What steps are being taken by his Ministry to ensure that the confidence level of international investors in the IT industry on data secrecy, data confidentiality is protected and preserved?

SHRI DAYANIDHI MARAN: Sir, the IT Act is being revisited by the Secretary of the DIT, as the Chairman, and the members of the NASSCOM, the Department of Commerce, and also the members of the industry. Sir, I can give the Terms of Reference to the Members separately. There are a lot of terms and references. I would also like to say that we are very concerned and we do feel that our Acts should not create an opinion in the outside world that we are very loose. We are working very closely with the NASSCOM so as to bring in law which will protect our IT and which will also protect our data. Sir, what I am saying is this. There have been one or two stray incidents, where too the companies are not involved, only company employees are involved. And, it happens throughout the world. But small incidents are magnified because everyone is jealous of our IT growth. The world is jealous of our IT growth. We are doing a great job. Today, if India is so successful in IT, it is because of the Indian companies. It is our private entrepreneurs who have gone the whole hog to make us proud. They are the ones who have put us on the IT map and they have ensured that they are constantly upgrading the security system. To answer Mr. Jairam's question more clearly, when an American company, or, a British company comes into a coop and do business with a local company in India, it comes and puts its own security systems for data protection. It is

according to their wishes. The Indian Government can't say as to which data protection system they have to put because it is a private partnership wherein an American comes in and says that these are the systems it wants, and the Indian companies, only after fulfilling those requirements, can do business with them. So, we are looking into it.

श्री शाहिद सिद्दिकी: सभापति महोदय, मैं आपके माध्यम से मंत्री जी को बताना चाहता हूं कि यह सच है कि आज दुनिया में हमारे आई॰टी॰ सैक्टर की ग्रोथ से जैलेसी है और हम बहुत जबरदस्त कम्पटीशन भी दे रहे हैं। इसके कारण हमारे खिलाफ कई तरह के षडयंत्र भी होते हैं, हमारे लिए कई तरह की दिक्कतें भी पैदा की जाती हैं, जैसे कि हमारे जो काल सैंटर्स हैं, उनमें हमारे लोगों को ह्रास किया जाता है, जो हमारे लोग बिजनेस कर रहे हैं, उनके लिए बहुत सारी डिफीकल्टीज पैदा की जाती हैं, उनके साथ डयूप किया जाता है, इस प्रकार की उनको दिक्कतें हैं। क्या आपने इसके लिए कोई ऐसा सैल बनाया है जो इंटरनेशनली इकॉनामिक फ्रंट पर, लीगल फ्रंट पर इन लोगों की सहायता कर सके, इन लोगों की मदद कर सके और इन लोगों को प्रोटेक्ट कर सके? यह मैं आपसे जानना चाहता हूं।

†[ ]شری شاہد صدیقی : سبھاپتی مہودے، میں آپ کے مادھیم سے منتری جی کو بتانا چاہتا ہوں کہ یہ سچ ہے کہ آج دنیا میں ہمارے آئی.ٹی.سیکٹر کی گروتھ سے جیلسی ہے اور ہم بہت زبردست کمپیٹیشن بھی دے رہے ہیں۔ اسکے کارن ہمارے خلاف کئی طرح کے شڑیینتر بھی ہوتے ہیں، ہمارے لئے کئی طرح کی دقتیں بھی پیدا کی جاتی ہیں، جیسے کہ ہمارے جو کال سینٹر ہیں، ان میں ہمارے لوگوں کا حراس کیا جاتا ہے، جو ہمارے لوگ بزنس کر رہے ہیں، ان کے لئے بہت ساری ڈِفکلٹیز پیدا کی جاتی ہیں، ان کے ساتھ ڈیوپ کیا جاتا ہے، اس پرکار کی ان کو دقتیں ہیں۔ کیا آپ نے اس کے لئے کوئی ایسا سیل بنایا ہے جو انٹرنیشنلی اکانومک فرنٹ پر، لیگل فرنٹ پر ان لوگوں کی سہائتہ کر سکیں، ان لوگوں کی مدد کر سکیں اور ان لوگوں کو پروٹیکٹ کر سکیں؟ یہ میں آپ سے جاننا چاہتا ہوں۔

SHRI DAYANIDHI MARAN: Sir, for setting up the IT business, STPI is the authorised centre. Anyone can get to the STPI. Moreover, the NASSCOM does a good work on behalf of the Government, because the

†[ ]Transliteration of Urdu Script.

Government takes advice from the NASSCOM, and, any grievances are usually addressed to the NASSCOM, and we help them to solve the problem.

MR. CHAIRMAN: Next question.

SHRI MANOJ BHATTACHARYA: Sir, I have just one simple question. So far as the question paper is concerned, this BPO is not Branching Process Operations, it is Business Process Operations. I, actually, feel that you should see to it that questions are properly corrected, because otherwise it will send a wrong signal....(*Interruptions*)..

AN HON. MEMBER: Business Process Outsourcing.

SHRI MANOJ BHATTACHARYA: I know Business Process Outsourcing, that is correct, but the question paper goes to many people. It is a wrong notion that we are carrying.

Widening of Highways in Tamil Nadu

*166. SHRI R. KAMARAJ: Will the Minister of SHIPPING, ROAD TRANSPORT AND HIGHWAYS be pleased to state:

(a) whether it is a fact that Government had accorded its approval for converting the Madurai-Aruppukottai-Tuticorin Highway into a four lane road;

(b) if so, the details thereof; and

(c) the other National Highways in Tamil Nadu that are being converted into four or six lane for which accord had been given, recently?

THE MINISTER OF SHIPPING, ROAD TRANSPORT AND HIGHWAYS (SHRI T.R. BAALU): (a) to (c) A Statement is laid on the Table of the House.

Statement

(a) and (b) Yes, Sir. Four laning of Madurai-Aruppukottai-Tuticorin section of National Highway No. 45 B (length 144 km) in Tamil Nadu on Build Operate Transfer (BOT) toll basis is included in the approved National Highways Development Project (NHDP) Phase IIIA.

(c) Four laning of following National Highways in Tamil Nadu has also been approved to be taken up on BOT Toll basis under NHDP Phase